



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Ted Stewart  
Executive Director

James W. Carter  
Division Director

1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5291

(801) 359-3940 (Fax)

December 16, 1996

Al Dearth  
Plateau Resources, Ltd.  
877 North 8th West  
Riverton, Wyoming 82501

Re: Approval of Replacement Reclamation Surety and Permit Transfer, Plateau Resources Ltd. (Plateau),  
Tony M/Lucky Strike Mine M/017/001, Garfield County, Utah

Dear Mr. Dearth:

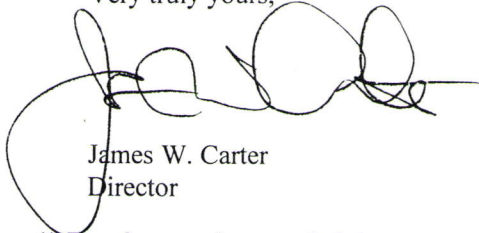
On December 11, 1996, the Board of Oil, Gas and Mining approved of the form and amount of replacement surety posted by Plateau for the Tony M/Lucky Strike Mine. The formal Board Order acknowledging this acceptance was issued on December 13, 1996. Approval of the reclamation surety allows the Division to formally accept the transfer of the mining and reclamation plan from Nuclear Fuels Services to Plateau. By this letter the Division formally acknowledges Plateau as the operator of record for the Tony M/Lucky Strike Mine.

We have enclosed the following items for your records: (1) a copy of the completed and signed Reclamation Contract, (2) one of the three original copies of the completed and signed Certificate of Deposit, (3) a copy of the completed and signed Permit Transfer Form, and (4) a copy of the Executive Summary and Reclamation Estimate pages used in the Board package.

Plateau's new \$141,800 Certificate of Deposit (# ) issued by First Interstate Bank of Commerce, of Gillette, Wyoming, is made payable to the Division of Oil, Gas and Mining and the Bureau of Land Management. This surety is scheduled for re-evaluation by the Division in the year 2001, unless revisions to the mine plan are made prior to that date.

Thank you for your cooperation and assistance in completing this permitting action. If you have any questions in this regard please contact Wayne Hedberg, or Tony Gallegos here at the Division.

Very truly yours,



James W. Carter  
Director

jb

Enclosures: (1) MR-RC form, (2) CD form, (3) Transfer Form, (4) Exec. Summary & surety calculations

cc: Kristee Wittrig, Nuclear Fuel Services, Inc., Atlanta, GA w/enclosure (#3)

Frederick MacDonald, Pruitt, Gushee & Bachtell w/enclosure (#3)

Tom Bachtell, Pruitt Gushee & Bachtell w/enclosure (#3)

"Buzz" Rakow, BLM Henry Mtn. RA, w/enclosures (#1), (#2), (#3) & (#4)

M17-01.let



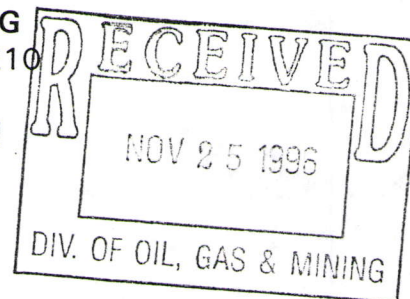
FORM MR-RC  
Revised June 10, 1996  
RECLAMATION CONTRACT

File Number M/017/001

Effective Date December 11, 1996

**STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION of OIL, GAS and MINING**

1594 West North Temple Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940



**RECLAMATION CONTRACT**

---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.)	<u>M/017/001</u>
(Mineral Mined)	<u>Uranium</u>
"MINE LOCATION":	
(Name of Mine)	<u>Tony M-Lucky Strike</u>
(Description)	<u>15 Miles North of Bullfrog Basin</u>
	<u>Garfield County</u>
"DISTURBED AREA":	
(Disturbed Acres)	<u>33.4</u>
(Legal Description)	<u>(refer to Attachment "A")</u>
"OPERATOR":	
(Company or Name)	<u>Plateau Resources Limited</u>
(Address)	<u>877 North 8th West</u>
	<u>Riverton, WY 82501</u>
(Phone)	<u>(307) 856-9271</u>

"OPERATOR'S REGISTERED AGENT":

(Name)

(Address)

(Phone)

Daniel P. Svilar

General Counsel

877 North 8th West

Riverton, WY 82501

(307) 856-9271

"OPERATOR'S OFFICER(S)":

A. E. Dearth, President

Harold F. Herron, V.P.

Max T. Evans, Secretary

"SURETY":

(Form of Surety - Attachment B)

Certificate of Deposit

CD No.

"SURETY COMPANY":

(Name, Policy or Acct. No.)

First Interstate Bank of Commerce

Box 3004, 222 S. Gillette Ave.

Gillette, WY 82717

"SURETY AMOUNT":

(Escalated Dollars)

\$141,800.00

"ESCALATION YEAR":

2001

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Plateau Resources Limited the "Operator" and the Utah State Board of Oil, Gas and Mining ("Board").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/017/001 which has been approved by the Utah State Division of Oil, Gas and Mining "Division" under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved Reclamation Plan, and Operator is obligated to provide surety in form and amount approved by the Board, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Board and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the original Notice of Intention dated June 28, 1977, and the original Reclamation Plan dated June 28, 1977. The Notice of Intention as amended, and the Reclamation Plan, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Board. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Board in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Board. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as



amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the (Board) that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The (Board) shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Board to substitute surety. The Board, in its sole judgment and discretion, may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.

14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

Plateau Resources, Limited

Operator Name

By: A.E. Dearth, President

Authorized Officer (Typed or Printed)

A.E. Dearth

Authorized Officer's Signature

November 21, 1996

Date

=====

SO AGREED this 11TH day of DECEMBER, 1996

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

BY Dave D. Lauriski

Dave D. Lauriski, Chairman

Utah State Board of Oil, Gas and Mining

DIVISION OF OIL, GAS AND MINING:

By

  
James W. Carter, Director

Date

Dec 11, 1996

STATE OF

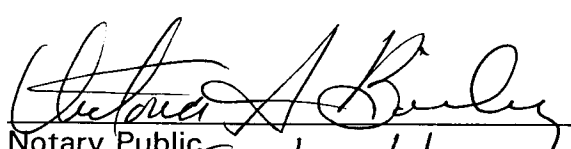
Utah

COUNTY OF

SALT LAKE

) ss:  
)

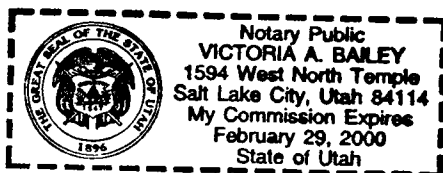
On the 11<sup>th</sup> day of December, 19 96, personally appeared before me, who being duly sworn did say that he/she, the said James W. Carter is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah, and he/she duly acknowledged to me that he/she executed the foregoing document by authority of law on behalf of the State of Utah.

  
Notary Public

Residing at:

SALT LAKE CITY, UTAH

February 29, 2000  
My Commission Expires:



OPERATOR:

Plateau Resources Limited  
Operator Name

By A.E. Dearth, President  
Corporate Officer - Position

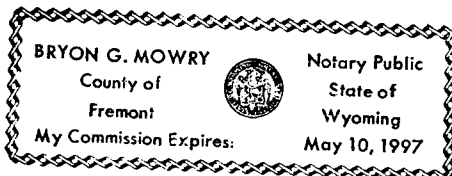
November 21, 1996  
Date

A.E. Dearth

Signature

STATE OF Wyoming )  
COUNTY OF FREMONT ) ss:

On the 21 day of NOVEMBER, 19 96, personally  
appeared before me A.E. DEARTH who  
being by me duly sworn did say that he/she, the said A.E. DEARTH  
is the PRESIDENT of PLATEAU RESOURCES LTD.  
and duly acknowledged that said instrument was signed on behalf of said company  
by authority of its bylaws or a resolution of its board of directors and said  
A.E. DEARTH duly acknowledged to me that said  
company executed the same.



Bryon G. Mowry  
Notary Public  
Residing at: 877 NORTH 8TH WEST  
FREMONT, WY 82501

MAY 10, 1997  
My Commission Expires:



ATTACHMENT "A"

Plateau Resources Limited  
Operator

Tony M - Lucky Strike  
Mine Name

M/017/001  
Permit Number

Garfield County, Utah

**The legal description of lands to be disturbed is:**

Approximately 33.4 acres located in:

NW $\frac{1}{4}$  NW $\frac{1}{4}$ , NW $\frac{1}{4}$  SW $\frac{1}{4}$ , SE $\frac{1}{4}$  SW $\frac{1}{4}$ , SW $\frac{1}{4}$  SE $\frac{1}{4}$ , SEC. 16  
NE $\frac{1}{4}$  NW $\frac{1}{4}$ , NW $\frac{1}{4}$  NE $\frac{1}{4}$ , NE $\frac{1}{4}$  NE $\frac{1}{4}$ , SW $\frac{1}{4}$  NE $\frac{1}{4}$ , SEC. 21  
TOWNSHIP 35 SOUTH, RANGE 11 EAST, SLBM.



**Corporate Offices:**  
**877 North 8th West, Riverton, WY 82501**

Tel: (307) 856-9271  
Fax: (307) 857-3050

**Shootaring Operations:**  
**Box 2111, Ticaboo, Lake Powell, UT 84533**

Tel: (801) 788-2120  
Fax: (801) 788-2118

DOGM Certificate of Deposit

Original No. 2 of 3

November 14, 1996

Dept. of Natural Resources  
Division of Oil, Gas & Mining  
1594 West North Temple  
Box 145801  
Salt Lake City, UT 84114-5801

Attention: Mary Ann Wright, Associate Director.

Re: Certificate of Deposit for Tony M/Lucky Strike Mine, Plateau Resources Ltd., M/017/001, Garfield County, Utah

This is in regards to regulatory requirements of the mining statute and rules of the State of Utah, Division of Oil, Gas and Mining, governing the operations and reclamation of the Tony M/Lucky Strike Mine, Permit Number M/017/001, operated by Plateau Resources, Ltd. Mining Company.

A Certificate of Deposit will be issued by First Interstate Bank of Commerce for \$141,800.00 and be automatically renewable upon expiration. The Certificate should be made out in the name of the State of Utah, Division of Oil, Gas and Mining. The interest earned by the Certificate of Deposit for the first three months will be added back on to the Certificate of Deposit. After that, the interest earned will be dispersed quarterly and deposited into Plateau Resources, Ltd. Mining Company's account. If the Certificate is redeemed before the maturity date and the penalty reduces the face value of \$141,800.00, the State of Utah, Division of Oil, Gas and Mining will go to Plateau Resources, Ltd. Mining Company for reimbursement of that loss. If redeemed after the maturity date, then \$141,800.00 will go to the State of Utah, Division of Oil, Gas and Mining and the remaining balance will go to Plateau Resources, Ltd. Mining Company's account. The Certificate of Deposit can only be redeemed by the State of Utah, Division of Oil, Gas and Mining.

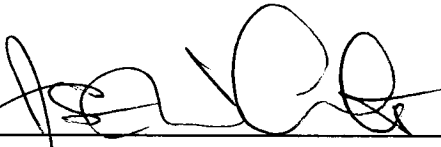
If the statute or rules of the State of Utah, Division of Oil, Gas and Mining are violated with respect to the operation or reclamation of the Tony M Mine covered by this surety, the State of Utah, Division of Oil, Gas and Mining has the authority to call the Certificate on demand, for the full amount of \$141,800.00. Any loss due to an early redemption penalty will

be the responsibility of Plateau Resources, Ltd. Mining Company and will not be the expense or responsibility of the State of Utah.


The Division Director's signature, James W. Carter (or the appropriate Division Director at that time), will be required to call the Certificate or release said funds back to Plateau Resources, Ltd. Mining Company.

First Interstate Bank of Commerce (Bank or Surety) will not be held liable for any dispute between the parties. These rules pertain to the Certificate of Deposit Number:

**Agreed upon by:**

  
James W. Carter, Director  
Division of Oil, Gas & Mining

Tax ID Number: . . . . .

  
A. E. Dearth, Authorized Agent  
Plateau Resources Limited

Tax ID Number: . . . . .

Please contact the following for further information:

Lowell P. Braxton or Mary Ann Wright  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
Box 145801  
Salt Lake City, UT 84114-5801  
(801) 538-5340

Gary Hall, Area Manager  
Bureau of Land Management  
Henry Mountain Resource Area  
P. O. Box 99  
Hanksville, UT 84734  
801-542-3461

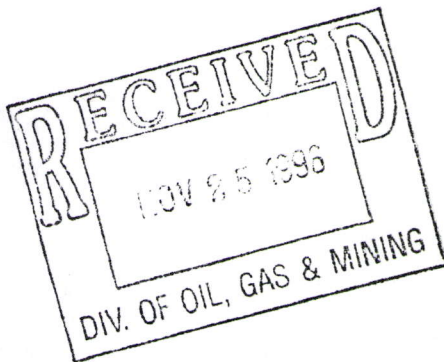
Ron Pasco  
First Interstate Bank of Commerce  
222 S. Gillette Ave.  
P.O. Box 3004,  
Gillette, WY 82717  
307-682-5144

RECEIVED JUL 15 1996

FORM MNR-TOL

(Revised April 1993)

For Division Use:

File No.: M/017/001Effective Date: Dec 11, 1996DOGM Lead: AA9

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340

TRANSFER OF NOTICE OF INTENTION  
LARGE MINING OPERATIONS

---ooOoo---

1. (a) Notice of intention to be transferred (file number): M/017/001  
(b) Name of mining operation: Tony M - Lucky Strike  
(c) Location of mining operation (county): Garfield  
(d) Name, telephone number and mailing address of the operator currently holding the notice of intention (transferor):  
Nuclear Fuel Services, Inc.  
3945 Holcomb Bridge Road, Suite 202  
Norcross, GA 30092
2. (a) Name, telephone number and mailing address of the operator acquiring the notice of intention (transferee):  
Plateau Resources Limited  
877 North 8th West  
Riverton, WY 82501 (307) 856-9271  
(b) Name, telephone number and address of the authorized representatives of the Transferee to whom any notices under the provisions of the Utah Mined Land Reclamation Act may be sent:  
A.E. Dearth: Plateau Resources  
877 North 8th West  
Riverton, WY 82501 (307) 856-9271
3. (a) The total disturbed area identified in the approved notice of intention: 55  
(b) The actual number of acres disturbed by the operation through date of transfer: 33.4

- (c) Attach a legal description of above acreages as Appendix "A" and a map of suitable scale with actual disturbed areas clearly shown and identified.
4. This application must be accompanied by a fully executed and signed Reclamation Contract (Form MR-RC).

STATE OF GEORGIA )  
 ) ss.  
COUNTY OF WINNETT )

### SWORN STATEMENT OF TRANSFEROR

I, Paul F. Schutt being first duly sworn under oath, depose and say  
that I am Chief Executive (officer or agent) of Nuclear Fuel Services, Inc.  
(Corporation/Company Name); and that I am duly authorized to execute and deliver  
the foregoing obligations; that I have read the said application and fully know the  
contents thereof; that all statements contained in the transfer application are true and  
correct to the best of my knowledge and belief. By execution of this statement I certify  
that the Transferor is in full compliance with the Utah Mined Land Reclamation Act, the  
Rules and Regulations promulgated thereunder, and the terms and conditions of Notice  
of Intention No. M/017/001.

[Signature]  
Signature

Paul F. Schutt

Name (Typed or Print)

Chief Executive Officer

Title

Subscribed and sworn before me this 9th day of July, 1996.

[Signature]  
Notary Public

Residing at: Morecross, GA

Notary Public, Gwinnett County, Georgia.  
My Commission Expires July 29, 1997.

My commission Expires:

July 29, 1997.



STATE OF WYOMING )  
 ) ss.  
COUNTY OF FREMONT )

FINAL SWORN STATEMENT OF TRANSFEREE

A. E. Dearth being first duly sworn under oath, depose and say that I  
am President (officer or agent) of Plateau Resources Limited  
(Corporation/Company Name); and that I am duly authorized to execute and deliver  
the foregoing obligations; that I have read the application and fully understand the  
contents thereof; that all statements contained in the transfer application are true and  
correct to the best of my knowledge and belief. By execution of this statement, the  
Transferee agrees to be bound by the terms and conditions of Notice of Intention  
No. M/017/001, the Utah Mined Land Reclamation Act, and the Rules and Regulations  
promulgated thereunder.



Signature

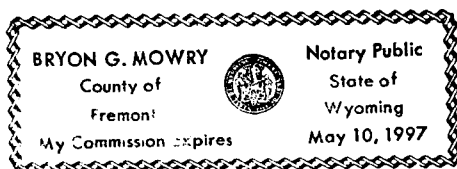
A. E. Dearth


Name (Typed or Print)

President

Title

Subscribed and sworn before me this 21 day of NOVEMBER, 1996.



  
Notary Public  
Residing at: 817 N 8TH WEST

RECLAMATION, WY 82501

My commission Expires:

MAY 10, 1997.

## CERTIFICATION OF APPROVAL

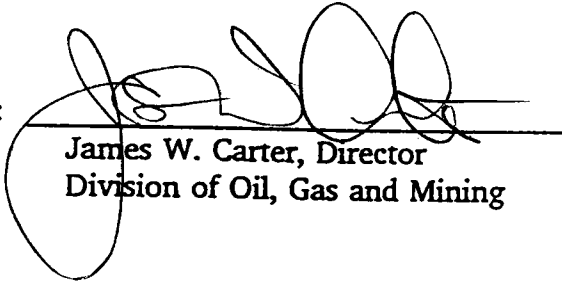
This is to certify that I have examined the foregoing application and do hereby grant the same, subject to the following limitations and conditions:

- (a) This transfer of notice of intention grants only the right to affect the lands described in Appendix "A".
- (b) The transferee has provided to the Division a fully executed and signed Reclamation Contract (Form MR-RC). The surety shall be effective on the date of transfer.
- (c) The transferee, or such other person as required by UCA 1953, Title 40-8, has acquired legal right to mine for lands described in Appendix "A".

### COMMENTS:

Approximately 5.3 acres were reclaimed during 1995 but not yet released due to not yet achieving re-vegetation success standard.

APPROVED:

  
James W. Carter, Director  
Division of Oil, Gas and Mining

Effective Date:

NOI No.:

Dec 11, 1996  
74/017/001

**APPENDIX "A"**

PLATEAU RESOURCES LIMITED

**Operator**

TONY M - LUCKY STRIKE

**Mine Name**

M/017/001

**Permit Number**

Garfield

County, Utah

**The legal description of lands to be disturbed is:**

Approximately 33.4 acres located in:

NW $\frac{1}{4}$  NW $\frac{1}{4}$ , NW $\frac{1}{4}$  SW $\frac{1}{4}$ , SE $\frac{1}{4}$  SW $\frac{1}{4}$ , SW $\frac{1}{4}$  SE $\frac{1}{4}$ , SEC. 16

NE $\frac{1}{4}$  NW $\frac{1}{4}$ , NW $\frac{1}{4}$  NE $\frac{1}{4}$ , NE $\frac{1}{4}$  NE $\frac{1}{4}$ , SW $\frac{1}{4}$  NE $\frac{1}{4}$ , SEC. 21

TOWNSHIP 35 SOUTH, RANGE 11 EAST, SLBM.